

**12 CFR Part 265****[Docket No. R-1778]****RIN No. 7100-AG37****Rules Regarding Delegation of Authority****AGENCY:** Board of Governors of the Federal Reserve System (Board).**ACTION:** Final rule; correcting amendments.

**SUMMARY:** The Board is updating its Rules Regarding Delegation of Authority to add delegations of authority previously approved by the Board and make certain technical corrections.

**DATES:** Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Andrew Hartlage, Special Counsel, (202) 452-6483; Amory Goldberg, Senior Counsel, (202) 452-3124; or Brian Kesten, Senior Attorney, (202) 843-4079, Legal Division, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW, Washington, D.C. 20551. For users of TTY-TRS, please call 711 from any telephone, anywhere in the United States.

**SUPPLEMENTARY INFORMATION:** Section 11(k) of the Federal Reserve Act authorizes the Board to delegate, by published order or rule and subject to the Administrative Procedure Act, any of its functions, other than those related to rulemaking or pertaining principally to monetary and credit policies, to one or more administrative law judges, members or staff of the Board, or the Reserve Banks.<sup>1</sup> The Board has delegated authority to Board members (in their individual capacity and as chairs of committees of the Board), Board staff, and the Federal Reserve Banks to take certain actions under the various statutes that the Board administers. The Board's Rules Regarding Delegation of Authority (delegation rules) implement section 11(k) of the Federal Reserve Act and enumerate the actions that the Board has determined to delegate.

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<sup>1</sup> 12 U.S.C. 248(k).

By delegating actions that do not raise significant legal, supervisory, or policy issues, the Board can respond more efficiently to applications, requests, and other matters.

The Board published a final rule in 2022 that comprehensively revised the delegation rules.<sup>2</sup> The Board is amending the delegation rules to publish delegations of authority previously approved by the Board and make certain technical corrections, including cross-references that erroneously used the letter “I” in place of the number “1”.

### **List of Subjects in 12 CFR Part 265**

Authority delegations (Government agencies); Banks, banking.

### **Authority and Issuance**

For the reasons stated in the preamble the Board of Governors of the Federal Reserve System amends 12 CFR part 265 as follows:

### **PART 265—RULES REGARDING DELEGATION OF AUTHORITY**

1. The authority citation for part 265 continues to read as follows:

Authority: 12 U.S.C. 248(i) and (k).

### **Subpart B—Delegations of Authority**

2. In § 265.4, in paragraph (a)(3)(i), remove the words “the Primary Dealer Credit Facility,” and add, in their place, the words “the Bank Term Funding Program, Primary Dealer Credit Facility,”.

3. In § 265.7:

a. In paragraph (d)(7)(ii)(E)(I), remove “252.156(g)(l)(i)” and add in its place “252.156(g)(1)(i)” in two places;

b. Add paragraph (e)(9);

c. In paragraph (j)(3)(i), remove “115.8(h)(1)” and add in its place “225.8(h)(1)”;

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<sup>2</sup> Rules Regarding Delegation of Authority, 87 FR 53988 (September 1, 2022).

d. In paragraph (k)(3)(ii)(A), remove “§ 217.20(c)(l)(v)(C) and (d)(l)(v)(C) of Regulation Q (12 CFR 217.20(c)(l)(v)(C) and (d)(l)(v)(C))” and add in their place “§ 217.20(c)(1)(v)(C) and (d)(1)(v)(C) of Regulation Q (12 CFR 217.20(c)(1)(v)(C) and (d)(1)(v)(C))”;

e. In paragraph (k)(3)(iii)(A), remove “§ 217.20(b)(l)(iii), (c)(l)(vi), or (d)(l)(x) of Regulation Q (12 CFR 217.20(b)(l)(iii), (c)(l)(vi), (d)(l)(x))” and add in their place “§ 217.20(b)(1)(iii), (c)(1)(vi), or (d)(1)(x) of Regulation Q (12 CFR 217.20(b)(1)(iii), (c)(1)(vi), (d)(1)(x))”;

f. In paragraph (k)(3)(iii)(B), remove “§ 217.20(c)(l)(v)(A) or (d)(l)(v)(A) of Regulation Q (12 CFR 217.20(c)(l)(v)(A), (d)(l)(v)(A))” and add in their place “§ 217.20(c)(1)(v)(A) or (d)(1)(v)(A) of Regulation Q (12 CFR 217.20(c)(1)(v)(A), (d)(1)(v)(A))”;

g. In paragraph (k)(5)(iii)(M), remove “§ 217.131(e)(l)(i) of Regulation Q (12 CFR 217.131(e)(l)(i))” and add in their place “§ 217.131(e)(1)(i) of Regulation Q (12 CFR 217.131(e)(1)(i))”; and

h. Add paragraph (r).

The additions read as follows:

**§ 265.7. Functions delegated to the Director of the Division of Supervision and Regulation.**

\* \* \* \* \*

(e) \* \* \*

(9) *Bank-affiliate transactions.* With the concurrence of the General Counsel, to approve, or to make the requisite findings for approval of, requests for an exemption from the requirements of section 23A of the Federal Reserve Act (12 U.S.C. 371c) and the Board’s Regulation W (12 CFR part 223) for the purchase of assets by a State bank or other insured depository institution from an affiliate, provided that the purchase of assets is:

(i) Part of a one-time corporate reorganization;

(ii) Does not involve the purchase of low-quality assets;

(iii) Is accompanied by a commitment to repurchase any assets that have become low quality within two years of the transfer; and

(iv) Has been approved by the Federal Deposit Insurance Corporation and the institution's appropriate Federal banking agency.

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(r) *Submission of reports.* (1) With the concurrence of the General Counsel, to prepare and submit to Congress reports under section 165(b)(5) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5365(b)(5)).

(2) With the concurrence of the General Counsel, to prepare and submit to Congress reports under section 37(c) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(c)), and to submit such reports to the *Federal Register* for publication.

4. In § 265.10, revise paragraph (b) to read as follows:

**§ 265.10. Functions delegated to the Director of the Division of Monetary Affairs.**

\* \* \* \* \*

(b) *Form FR 2900.* With the concurrence of the General Counsel—

(1) To reassess the deposit reporting threshold each year, starting in February 2022, as is necessary to maintain a weekly reporting panel of 1,000 institutions comprised of foreign-related reporters and the largest M2 deposit holders for the weekly Report of Deposits and Vault Cash (Form FR 2900); and

(2) To determine the frequency with which the deposit reporting threshold is reassessed (e.g., annually or less frequently than annually) consistent with maintaining a stable panel of weekly reporters for the Form FR 2900 and enabling accurate construction of the monetary aggregates.

**§ 265.11 [Amended]**

5. In § 265.11, in paragraph (a)(1), remove the words “Dodd-Frank Act” and add in their place the words “Dodd-Frank Wall Street Reform and Consumer Protection Act”.

## § 265.13 [Amended]

6. In § 265.13, in paragraph (b)(1)(i), remove “115.8(h)(1)” and add, in its place, “225.8(h)(1)”.

7. In § 265.20:

a. In paragraph (a)(6)(i), remove the words “§ 225.22(c)(1) of Regulation Y (12 CFR 225.22(c)(1))” and add in their place the words “§ 225.22(d)(1) of Regulation Y (12 CFR 225.22(d)(1))”.

b. In paragraph (c)(6)(iv)(E), remove the words “Regulation LL (12 CFR 238.41)” and add in their place the words “Regulation LL (12 CFR 238.31)”.

c. Add paragraph (c)(14)(xvi);

d. In paragraph (l)(1)(i)(A), remove the words “§ 217.20(b)(1)(iii), § 217.20(c)(1)(vi), or § 217.20(d)(1)(x) of Regulation Q (12 CFR 217.20(b)(1)(iii), 217.20(c)(1)(vi), or 217.20(d)(1)(x))” and add in their place the words “§ 217.20(b)(1)(iii), § 217.20(c)(1)(vi), or § 217.20(d)(1)(x) of Regulation Q (12 CFR 217.20(b)(1)(iii), 217.20(c)(1)(vi), or 217.20(d)(1)(x))”; and

e. In paragraph (l)(1)(i)(B), remove the words “§ 217.20(c)(1)(v)(A) or § 217.20(d)(1)(v)(A) of Regulation Q (12 CFR 217.20(c)(1)(v)(A) and 217.20(d)(1)(v)(A))” and add in their place the words “§ 217.20(c)(1)(v)(A) or § 217.20(d)(1)(v)(A) of Regulation Q (12 CFR 217.20(c)(1)(v)(A) and 217.20(d)(1)(v)(A))”.

The addition reads as follows:

## § 265.20 Functions delegated to Federal Reserve Banks.

*	*	*	*	*
(c)		*	*	*
(14)	*	*	*	

(xvi) To grant a request to waive the application of § 239.59(d)(1), (h), (j), and (p)(2) of Regulation MM (12 CFR 239.59(d)(1), (h), (j), and (p)(2)) as those provisions relate to applications and notices seeking the Board’s prior approval to conduct a stock issuance pursuant

to § 239.24 of Regulation MM (12 CFR 239.24) related to a reorganization to mutual holding company form pursuant to section 10(o)(3) of the Home Owners' Loan Act (12 U.S.C. 1467a(o)(3)), or subsequent to a mutual holding company reorganization, and that do not raise any significant legal, policy, or supervisory concerns, except that the authority to grant waiver requests under this paragraph (c)(14)(xvi) is limited to requests by firms that--

(A) Do not qualify for federal preemption of state securities filing requirements;

(B) Propose to register their shares in states with ten or more eligible account holders, as that term is defined in § 239.52(c) of Regulation MM (12 CFR 239.52(c)); and

(C) Would make a proposed stock offering available to account holders eligible to participate in the offering in states where the offering would qualify for an exemption from state securities filing requirements.

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By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority.

**Margaret McCloskey Shanks,**  
*Deputy Secretary of the Board.*

Billing Code 6201-01-P

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